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Project Hug Update @ PPS

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June 19th, 2019

Google

EXHIBIT 5714.R

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GOOG-PLAY-000565172.R

EXHIBIT 5714.R-001



Agenda

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Hug Recap

Hug Rollout & Operations

How Play is Supporting Hug

Next Steps

Google

- The main purpose of this meeting is to keep the xFN Play team in the loop on Hug rollout progress and to give more details on how Play is expanding support for Hug partners.
- We'd like to use PPS as a forum for future Hug updates because it enables us to bring Product, Eng & Business teams in 1 forum.

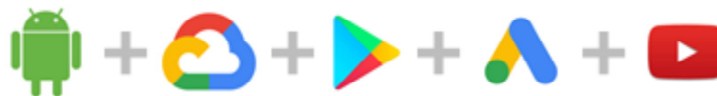
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Hug Recap

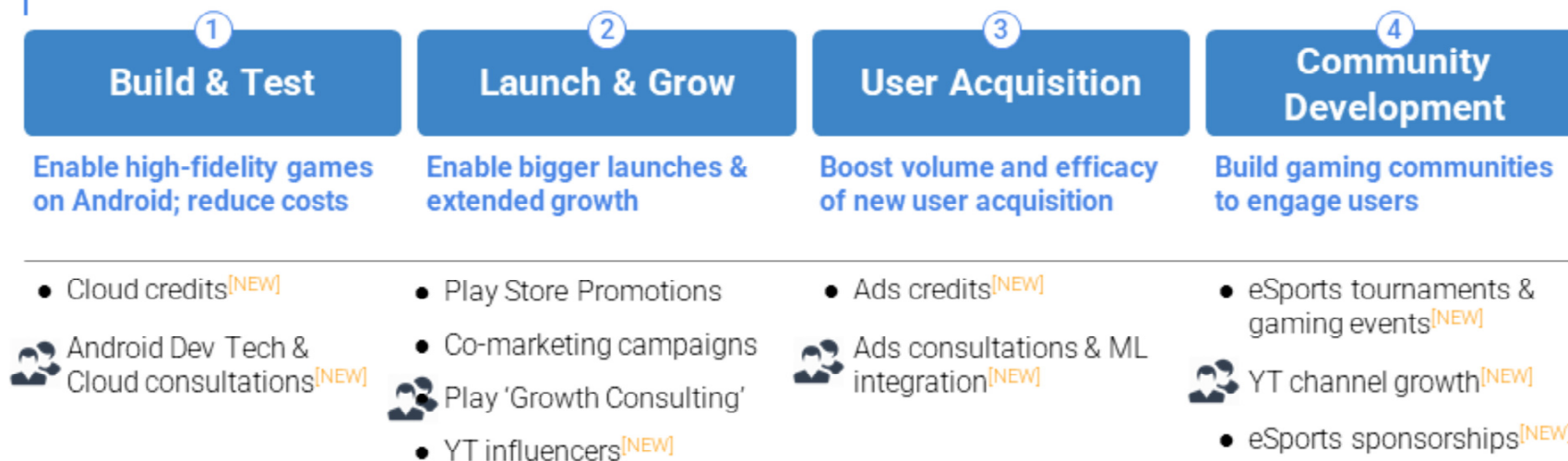
Google



Hug: Unify and boost Google's value proposition to 22 target developers



Four new cross-Google "service packs", across the developer lifecycle



Denotes consultative services which (1) bring unique Google know-how to devs, and (2) amplify value of other investments (e.g. credits)

- I'm sure most everyone has seen this slide. There are 4 packs as part of hug that span the critical points of a game developers lifecycle and bring the unique capabilities of Google together.
- Play serves 3 critical roles in the hug program.
- The overarching glu that coordinates the program & makes key investment decisions aligned with developer needs
- Enabling the "Launch & Grow" service pack across Commercial Ops, Marketing & BD.
- Partnership with YouTube on growing our presence in eSports



Project Hug Goals & Non-Goals

Goal 1: Prioritize Play



SUCCESS METRICS

- Launch on Play on “day 1” of mobile launch
- Co-invest in promoting Play title
- Improve game quality and device reach
- Maintain game parity across platforms
- Revenue, Play as “the” games destination

Goal 2: Boost x-PA Product Adoption



SUCCESS METRICS

- **GCP:** win-rate acceleration; marquee titles on GCP
- **YouTube:** mobile gaming watchtime uplift
- **Ads:** UAC growth acceleration; best practice adoption

Goal 3: Improve Developer Sentiment

Non Goals: Stop launch on other Android stores (eg: Galaxy Store), drive additional xPA integrations (eg: Stadia), close commercial deals beyond defined scope

- Here are the 3 goals outlined & approved by BC.
- For Prioritizing Play:
- Ensuring big games launch on Play on Day 1 is becoming a challenge again, so this isn't something to take for granted.
- In the event devs do launch on competing stores, ensuring they are investing in marketing for Play is critical in keeping users on Play ecosystem
- Working to improve game quality & reach earlier in the process is critical
- For Non-Goals: It is important to note that this is not an exclusivity program. Its also important to note that we don't want to pile on xPA requirements to unlock benefits.

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Hug Rollout & Operations

Google



Rollout Framework

PLAN

Getting the program up and running

Finalize developer allocations & create the contracts

- Including program messaging, developer eligibility and criteria

Execution level playbook for the business to operationalize

Set up governance meetings by utilizing existing forums

- **GP Games Velocity** for xPA coordination & decisions
- **Play Product Steering (?)** for program direction & Play specifics

PITCH

Delivering pitches and signing contracts

Dedicated xPA Pods responsible for pitching to developers

- **Custom developer offers** drafted based on perceived value for developer and xPA input

Dedicated xPA Pods responsible for getting contracts signed

- **Master DDA Addendum** required to participate in Hug program and addendums for specific service packs

ACTIVATE

Delivering the service packs

GTM with Service Packs



Frank + TI



Sunil + Sophie



Ryan + Lester



Brendan + Kyle



Lawrence + Karan & John + Kara J



Albert + Jackie

TRACK

Operational reporting to measure progress toward OKRs and **program success metrics**

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- We are looking to roll the program out in a plan - pitch - activate - track framework.
- In the last few weeks we have focused on setting up the plumbing and processes needed to deliver all the xPA Hug deliverables, including allocating resources and creating detailed execution playbooks. We plan to use existing forums for program governance - Don's Games Velocity forum for xPA governance, and are proposing and its a question to this forum, that we use the PPS for Play specific program governance, updates and direction?
- We have created xPA teams called pods to create and align on service packs for each developer and to pitch and sign contracts.
- Activations for each PA are owned by their respective team members. Important to note that this is a massive cross Google effort to deliver for partners, but we do have senior stakeholders across PAs who are invested in the success of the program, who will help drive.
- We are now working on a detailed tracking framework to track key metrics at a program level, PA level and developer level, and you will here more on this in the next update.
- Plan - plumbing, governance
- Pitch - pods

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- Activation - owned by teams while we quarterback... senior sponsors across Google for execution

Slide 7

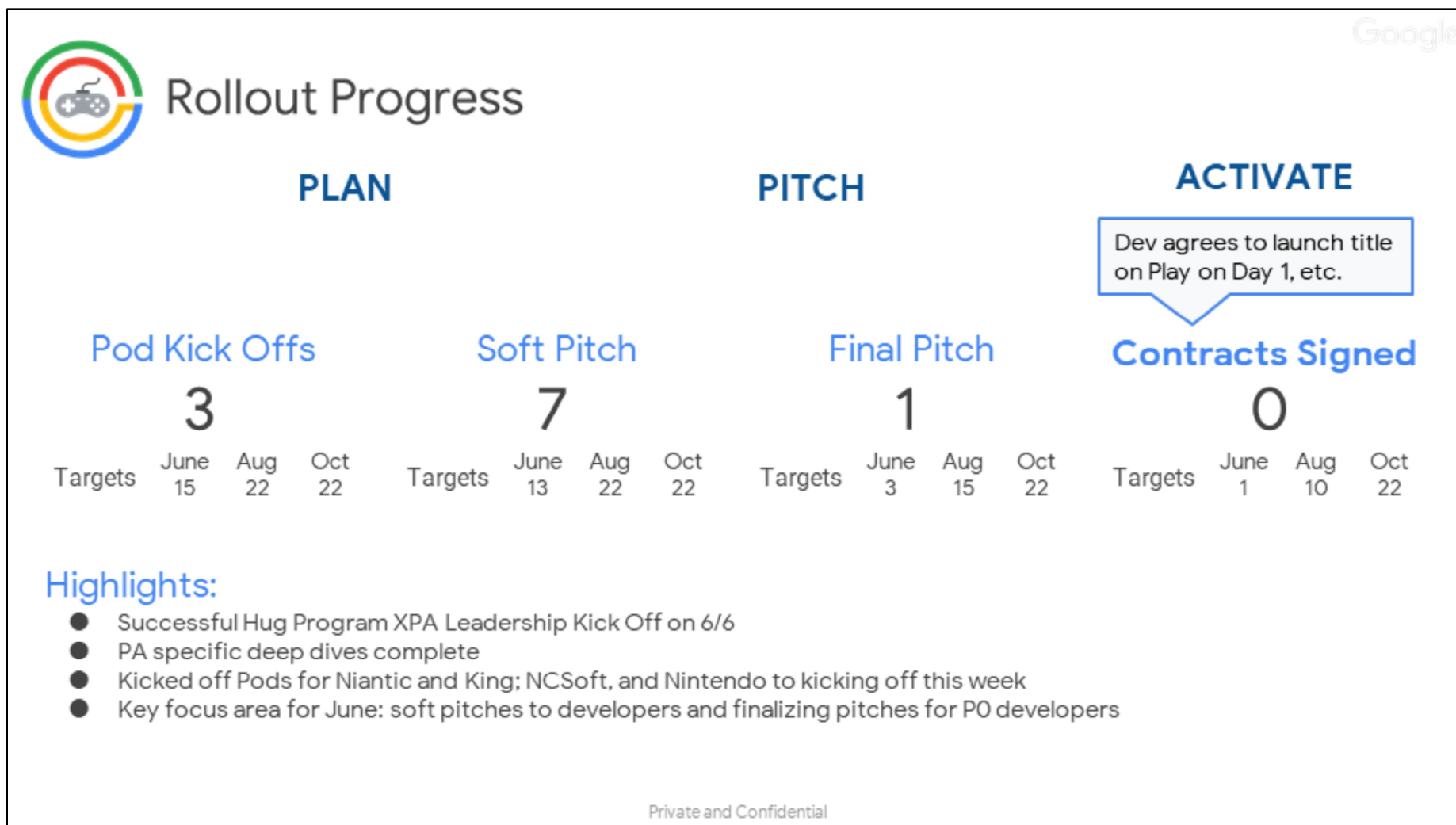
- 1 what's this logo?
Albert Cheng, 6/19/2019



Rollout Readiness

	Build & Test		Launch & Grow		User Acquisition		Community Development	
	Cloud DevTech		CommOps Growth Consulting		UAC Credits Consults		YT Growth eSports	
Pitch Materials	●	●	●	●	●	●	●	●
Contracts	●	—	●	—	●	—	●	●
Resources / Hiring	●	●	●	●	●	●	●	●
	Expect Cloud contract ready by 6/30 Dev Tech has HC, but hiring is slow. Will leverage Del Rel in the interim		Growth Consulting & BD hiring needed, but we'll support highest priority partners. CommOps to hire PgM; not blocking support plans		Ads contacts expected ready by 6/30. Ads execution dependent on hiring, but committed to work on P0 devs		YouTube contract expected ready by 07/15	

- Quick view of plumbing readiness. While we have some items as red, there are mitigation plans



- And as you can see, teams have started getting together and preparing and making pitches. The objective is to for all 22 soft pitches, which is where we run a proposal informally buy a developer to gauge their feedback, to be done by July 2019. We will share regular progress on this with you.
- Pods kicked off - King, Niantic, Riot
- Soft pitch - Done for King, Riot, Supercell, Activision, Blizzard, set up for Tencent, Netease. More for June - TPC, Niantic, NC, Nintendo, Netmarble, SQE
- To do in July - all the rest
- Final pitch targets:
- June - Riot (done), King, Niantic
- July - Supercell, Tencent, NCSoft, Nintendo, TPC, Activision, Blizzard, Bandai, EA, SQE, Tencent, Netease, Netmarble



Partner Rollout Plan - pitch all 22 by Aug'19

Status - draft proposals completed for all, 3 pitched, 7 in progress

	Build & Test				Launch & Grow				User Acquisition		Community Development	
App Dev Name	GCP Tech Advisory	GCP Credit	DevRel / DevTech	Growth Consulting	Commercial Ops	Marketing Campaign	Marketing DMF	YT Influencer Activation	UAC Credit	Ads Consults	YT Presence Grant	eSports Events or Sponsorship
King	X	X		X	X				X	X	X	
The Pokemon Company	X	X	X	X	X	X		X		X	X	
Niantic, Inc.	X	X		X	X	X		X	X	X	X	
NCSoft Corporation	X	X		X	X	X	X	X	X		X	
Nintendo Co., Ltd.	X	X		X	X	X	X	X	X	X	X	
Netmarble	X	X		X	X			X	X			
NetEase Games	X	X		X	X			X	X			
Tencent Mobile International	X	X		X	X				X	X		X
SQUARE ENIX Co., Ltd.	X	X		X	X		X		X		X	
Riot Games, Inc	X	X	X	X	X	X		X		X	X	
Activision Publishing, Inc.	X	X	X	X	X		X		X	X	X	
Supercell	X	X		X	X			X	X	X		X
Blizzard Entertainment, Inc	X	X	X	X	X	X		X	X		X	X
Electronic Arts Inc	X	X	X	X	X			X	X			
BANDAI NAMCO Entertainment	X	X		X	X				X		X	
Com2uS	X	X		X	X				X			X
NEXON Company	X	X		X	X	X		X				
mixi, Inc.	X	X		X	X						X	X
Aniplex Inc.	X	X		X	X			X	X			
PEARL ABYSS	X	X		X	X				X			
Ubisoft Entertainment	X	X	X	X	X				X			
Bethesda Softworks LLC	X	X	X	X	X							
TOTAL	22	22	7	22	22	7	4	12	17	8	11	5



Rollout - Early partner results

Goal 1: Prioritize Play



Textbook Hug execution to convince mega AAA title to launch on Play

- Exemplary xPA execution & coordination
- Huge revenue potential (\$500M spend over 2yrs) & signalling.

Goal 2: Drive xPA Success



Drive incremental ad spend through well structured ad credits. First step in broader **ABK engagement**.

- Use top partner to streamline Ad Credits execution
- Terms drive incremental spend & require insights sharing

Goal 3: Improve dev sentiment



Mixed results underscore Project Hug limitations

- Dev launched on Play and worked with xGoogle team to go global
- Also launched on Galaxy Store
- Mixed results in JP launch need post mortem

Up Next:



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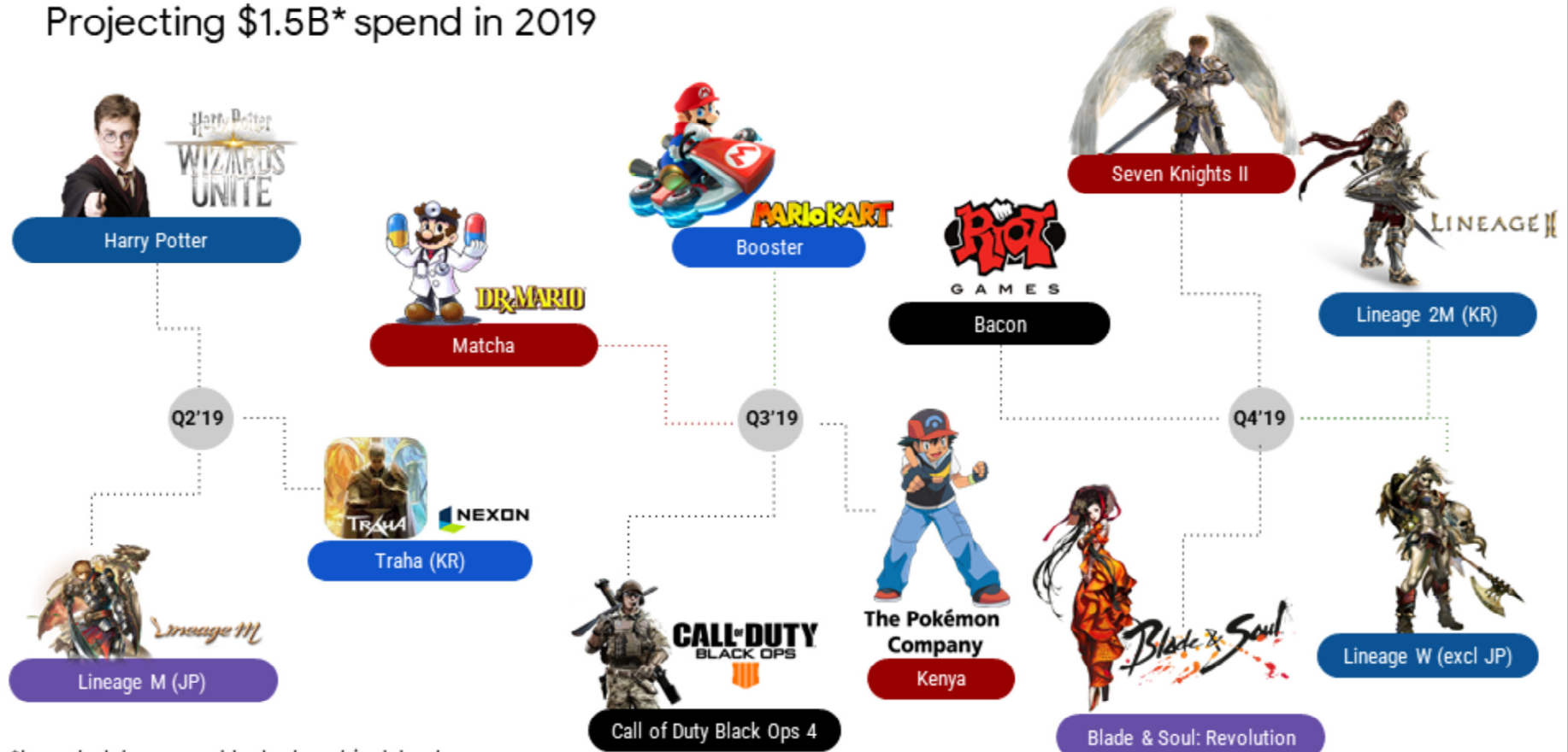
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How Play is Supporting Hug

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Tentpoles remain important in 2019 -- all of which are Hug partners

Projecting \$1.5B* spend in 2019

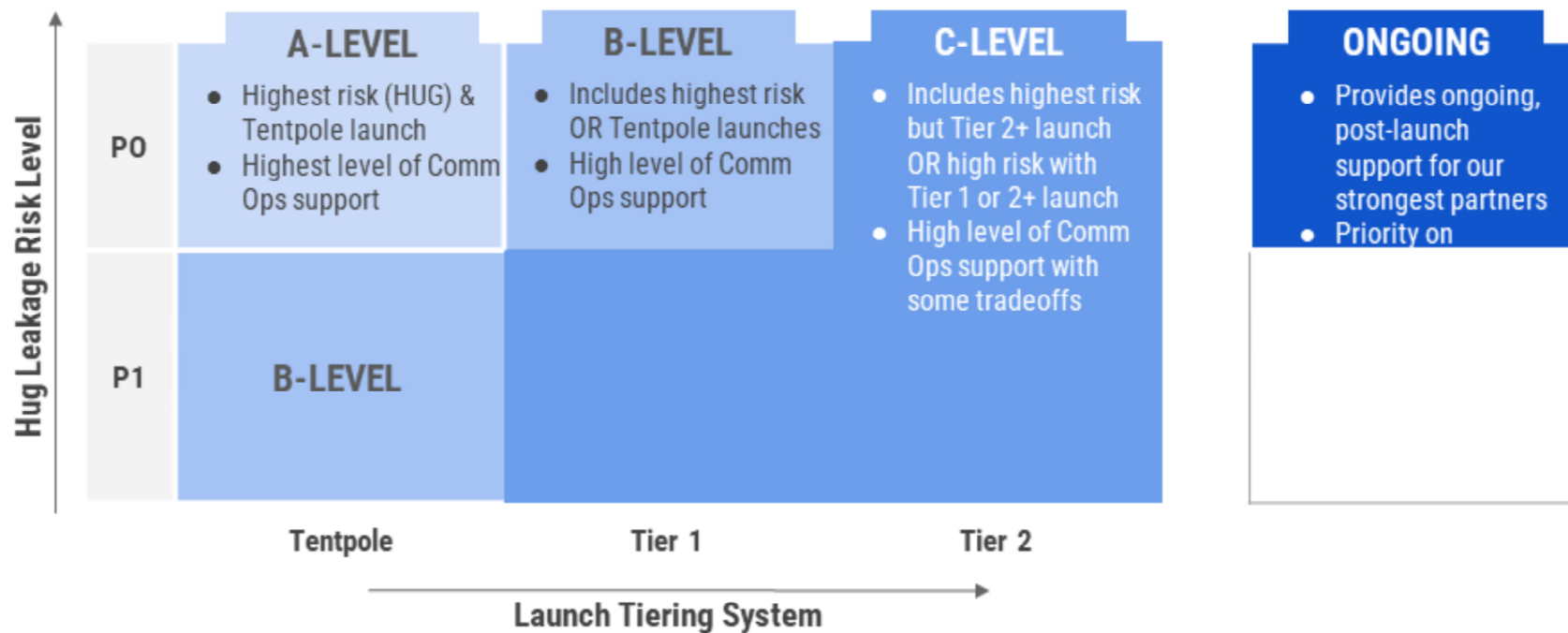


*Launch dates are not locked - subject to change

Play is building on top of Tentpole program to support Hug

- New **tiering system** to align Hug with our existing launch tiering packages
- More **customized packages** to support Hug launches
- Better **alignment on activities** across Comm Ops, on and off the store
- New **Store capabilities** (Apps Hero Card, Title Boosting, Play Points, etc)
- Unified **tracking** and **reporting**

Hug aligns with Play's overall approach to launch tiering (+ added support)



- Tentpoles - driving the business
- Hug - driving the relationship

We have a holistic approach for support across PCO functional teams

		A-Level	B-Level	C-Level	Ongoing
Pre-Reg	Merch	✓	✓	✓	-
	Growth Marketing	✓	-		-
	Loyalty	✓	✓		-
	Retail Payments	-	-	-	-
Launch	Merch	✓	✓	✓	-
	Growth Marketing	✓	-		-
	Loyalty	✓	✓		-
	Retail Payments	-	✓		-
Post Launch	Merch	✓	✓	✓	✓
	Growth Marketing	✓	-		✓
	Loyalty	✓	✓		✓
	Retail Payments	✓	✓	✓	✓

[Detailed breakdown](#)

*Representative only, each game will get a customized package based on content strength

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Top Hug partners get maximum support on & off Store

New capability

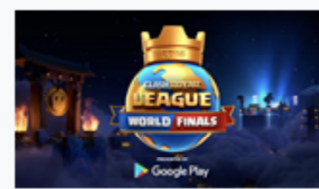
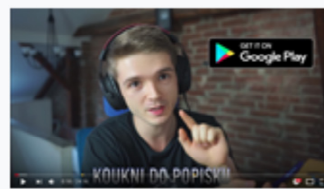
EXAMPLE A-LEVEL SUPPORT

	Pre-Registration	Launch	Post-Launch
Merch	<ul style="list-style-type: none"> - HR & Stream Banner takeover - Editorial support - Collection support (Pre-Reg) 	<ul style="list-style-type: none"> - Apps Hero Card and HR/Stream Banner takeover (with STP) - Editorial support - Collection & destination support - Title Taxonomy boosting - Search, MARLO, N&U on PDP 	<ul style="list-style-type: none"> - LiveOps Support via FHR / HR - Seasonal campaigns inclusion - Editorial & Influencer programs - eSports featuring - Franchise crossover activities
User Loyalty	<ul style="list-style-type: none"> - Google Play Points members can earn +5 to +10 points for pre-registering 	<ul style="list-style-type: none"> - GPP members can earn +5 to +10 points for installing - Merchandising a game coupon or IAP item in the use section 	<ul style="list-style-type: none"> - Dedicated GPP points promotion - Merchandising a game coupon or IAP item in the use section - Pseudo credit in non-GPP markets
Growth Marketing	<ul style="list-style-type: none"> - Pre-reg discovery push notification - Pre-reg newsletter inclusion 	<ul style="list-style-type: none"> - Push notification 	<ul style="list-style-type: none"> - LiveOps & Buyer Growth push notifications - LiveOps & New & Trending newsletters
Retail Payments	-	-	<ul style="list-style-type: none"> - Global Marquee Content Promo: IAP bonus for redeemed gift cards

[Commercial Ops Hug Taskforce Dev Packages](#)

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Play Marketing Support for Hug



CUSTOM MARKETING CAMPAIGNS

Promote game launches with Google Play-led marketing campaigns

'19/'20 Budget \$53M

DMF

Fund developer led campaigns with Google Play attribution

\$10M

YT INFLUENCER PROGRAM

Evergreen program of coalition of YT creators to promote game titles

\$5M

ESPORTS SPONSORSHIPS

Sponsor developer owned esports events

\$17M

PROJECT MANA

Build and own a Google Play esports league incorporating developers' titles

Up to \$52M

Additional \$45M set aside in 2020 to be allocated.

Google

Play BD Support for Hug

More time for Hug Partners



Transitioned **Hug partners to Alliance Service level**. Allows BDMs to:

- Deeper + earlier relationships
- Quarterbacking Hug offers
- xPA leadership for PPP

Expand Growth Consulting



Dedicated **Growth Consulting** for all Hug Partners. Expanded offering:

- Pre-Launch consulting
- Core performance optimization
- GoGlobal (including localization)

Program Management



Coordinate & drive **Project Hug Operations** across PAs.

- Remove operational hurdles
- Keep PAs coordinated
- Program governance (Play & xPA)

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- BD is increasing service levels for Hug partners. This is critical to enable deeper partnerships earlier in the game life cycle. This will also enable BD to quarterback the hug specific offers to partners across PAs.
- We're expanding growth consulting giving dedicated service to Hug partners and enhancing the offering into Pre-launch consulting & GoGlobal.
- We're acting as the Program Management glue across PAs to remove hurdles & keep the program coordinated across PAs.

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Next Steps

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Next Steps:

- Nail down operations
 - Contracts signed w/ all 22 devs by EOQ3
 - Ensure xPA pods are functioning effectively to maximize developer value creation
 - Ensure each service pack across PAs is being utilized & optimized
- Create, Quantify & Communicate Value
 - Invest in communicating broader value & activity back to Developers (“earn the 30”)
 - Quantify value created by each activity

Feedback / Questions:

- Play Governance: Is PPS the right forum? Frequency of Updates?
- Focus areas for future reviews?

- For now, our priority is getting the operations nailed down & contracts signed. From there, we want to ensure the xPA coordination is happening & service packs are being utilized & optimized.
- In 6 months, I anticipate an update like this to switch gears into where we are creating value, how we are communicating that to developers & how we are iterating on the huge activities to optimize.
- Questions for the room:

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Graveyard

Google

MOVE TO APPENDIX

Karan



xPA Operating Model

Proves project hypothesis of goals and non-goals



Define and drive GTM via Service Pack Sponsor & POC

Exec sponsor + Service Pack Lead per PA drive pack definition, activation, tracking, reporting etc.



Frank + TI



Sunil + Sophie



Ryan + Lester



Brendan + Kyle



Lawrence + Karan & John + Kara J



Albert + Jackie

Use existing forums for Governance

Reduce overhead & drive velocity by using we understood programs/forums.

- **GP Games Velocity** for xPA coordination & decisions
- **Play Product Steering** for program direction & Play specifics

Build dedicated xPA Pods coordinated w/ PPP

Local Partner Pods derived from **Priority Partner teams** who execute respective service pack



Play Core Team coordinates activities of each Partner Pod. **Play BDM runs point.**

Overall Program Management, Reporting & Compliance



Play BD + BOS overall program management (Mike, Karan, Danielle, Samer)

Play Legal + Finance contracts, xPA accounting & compliance etc. (Tamar, Cyrous)

Create custom offers per partner

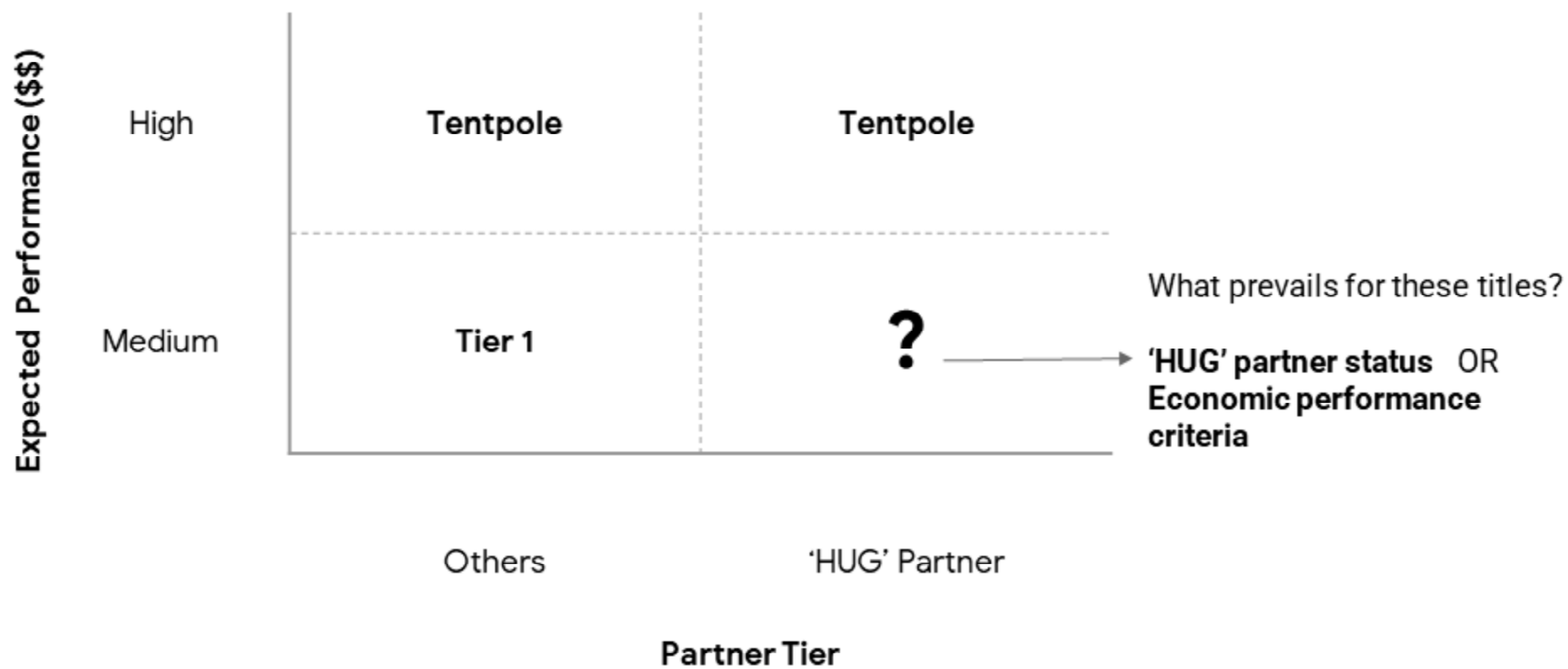
[illegible]

- Prioritize accounts that are most urgent or most risky
- One size does not fit all
- Test packs with marquee partners and refine before scaling

- Create clear pitch building blocks
- Define xPA activations for each service pack
- Define tracking and reporting structures

- Create xPA execution pods with clear rep per service pack
- Set up meeting cadence, review forums, and review teams
- Play BDM + Hug PgM to coordinate xPA execution

How do we leverage the Tentpole program for 'HUG' partner launches?



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25

- PO Partner Ongoing Support - separate slide
- Grid - what would a Dev value - layout capabilities
- For TEntpole, we are driving the business
- For Hug, we are driving the relationship

Slide 25

- 1 Kara Jantzi
Mike Marchak
I'm not sure goal of this slide?
- Given the audience is Play leadership, we should have at least a few slides covering what Play (BD, especially CommOps, and maybe Consumer Marketing) are doing differently for Hug beyond what we have previously done for tentpoles. And dump more details into the appendix. We need to land the clear message that we're doing our part and it is all buttoned-up.
- I'd also get a little more into the weeds than the kick-off decks and highlight things like AHC and Title Taxonomy since want to give credit Tian's & Mike's worlds. Also want to make sure we're saying things like extra days of featuring support given sensitivities right now around HP inventory + Ads.
John Mentgen, 6/16/2019
- 2 I think we can drop this slide now unless there was another point we were looking to make
John Mentgen, 6/17/2019
- 1 Add into narrative
Karan Gambhir, 6/17/2019
- 1 I moved to appendix.
Mike Marchak, 6/17/2019

2019 Hug Launches



- Source: <https://docs.google.com/presentation/d/1jXRlai0p14D1SZeoNjdPEnkZ6IVhcptW0jolXabuUns/edit?usp=sharing>



Governance Details & KickOff

Two governance forums to ensure program stays on track and delivers results

xPA Governance

ATTENDEES - xPA exec sponsors

AGENDA - Track x-Google success metrics, resolve xPA issues, unlock xPA enhancement

VENUE - GP Game Velocity Meeting

CADENCE - Quarterly

COORDINATION - GP Partner Solutions (Marc T.)

xPlay Governance

ATTENDEES - Play Leads

AGENDA - Track Play metrics, review and approve addition/removals of partners, unlock Play enhancement

VENUE - Play Product Steering

CADENCE - Quarterly

COORDINATION - Play StratOps (Mike M.)

xPA Kick Off

June 6, 2019



AGENDA

- **Program Review** - service packs pitches, activation & reporting etc
- **Pod & Outreach review** - offers by partner, do's and don'ts by PA, roles, responsibilities, reporting

Individual PA & Pod deep dives to follow

Logistics Etc.

- **Global vs. Local** guidelines will be global, execution will be local, tracking and reporting will be global.
- **Time Zones** all trainings will be repeated to support both EMEA and APAC time zones. Governance meetings will rotate.

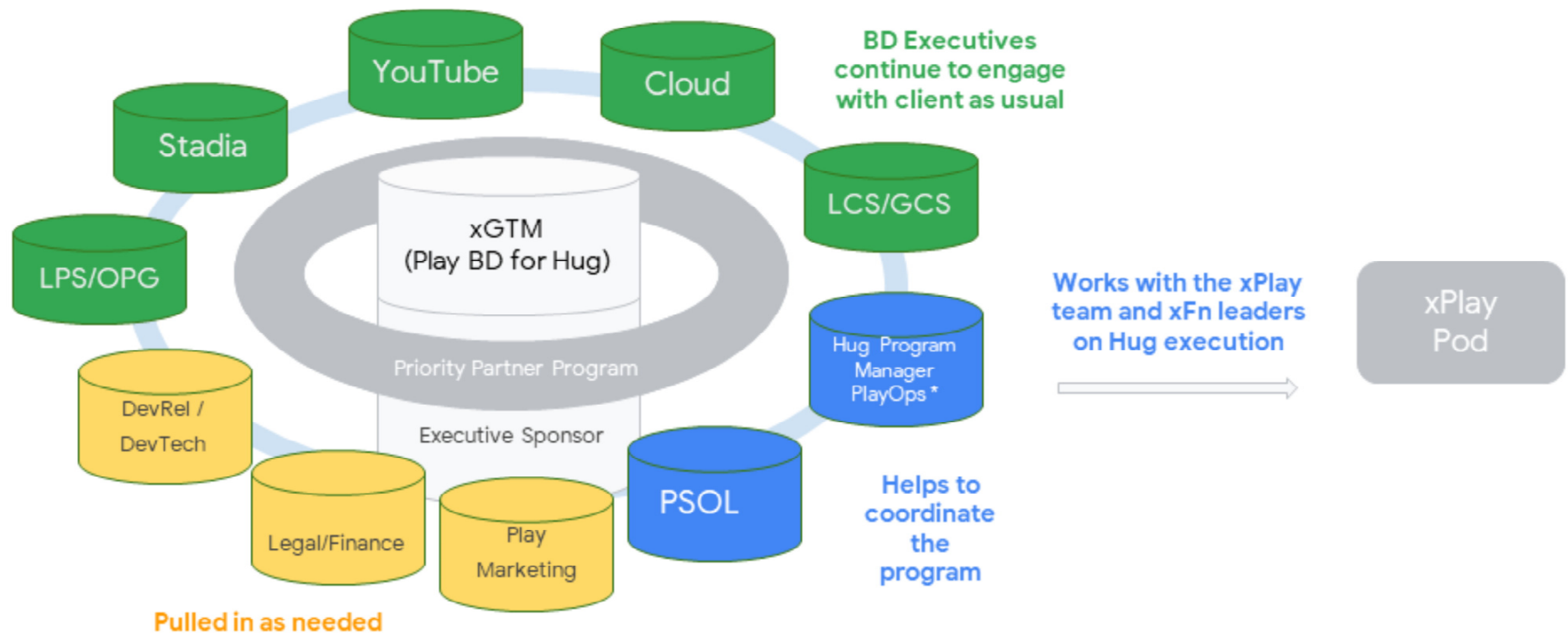
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Creating Velocity by adding Hug to Priority Partners

Leverage Priority Partner Program w/ Play at center for Hug Partners



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xPA & xPlay Developer Pods to execute

Play

Google XFN

Play BD

Growth Consultant

Games Analyst

Import Specialist

Tech Consultant

Play Commercial

Loyalty

Growth Marketing

Retail Activation

Analytics

x-Play Pod

Support and drive execution of Play tactics across Hug service packs

Play Core

BDM

Merch Mgr

Play BD Prog Ops

Play Comm Prog Ops

Core Pod

Own and coordinate developer plans & deliverables for Hug

Consumer Marketing

YouTube

Ads

Cloud

Dev Rel

Dev Tech

x-PA Pod

Support and drive execution of x-PA (Ads, Cloud, YouTube, Mktg.) tactics across Hug service packs



Google Priority Partners

- proposal of the refreshed attendees to the Exec Council



The heroes making xPA & “One Google” real



Samer Sayigh



Karan Gambhir



Danielle
Martinak



Kara Jantzi



Dan Song



Lester Chen



Tamar
Fruchtman



Jackie Lau



Kyle Rapp



Sophie Hasson



Lawrence
Koh



Cyrus Jame

...and many more

- proposal of the refreshed attendees to the Exec Council



Governance Details & Kick-Off

Governance committees (Program level)

x-PA	x-Play
<p>Audience: xPA leadership</p> <p>Agenda: Track x-Google success metrics, resolve red flags, unlock xPA enhancement</p> <p>Venue: Games Velocity meeting</p> <p>Cadence: Quarterly</p>	<p>Audience: Play leads</p> <p>Agenda: Make key decisions : New developers, new tent poles, changes in priority</p> <p>Venue: Play PPS</p> <p>Cadence: Quarterly</p>

xPA kick-off with Leadership - June 6th

Agenda:

- **Program Overview** - Hug, service packs
- **Execution Overview** - Service packs by developer, project tracking, pitch material - Do's and Don't's by PA
- **Pod Overview** - structure and R&Rs

Individual PA deep dives to follow (EMEA and APAC friendly)

- proposal of the refreshed attendees to the Exec Council



Challenges w/ “One Google” operations for Hug

First of its kind program -- no “template” to follow -- minimal coverage from PPP

x-PA service delivery mechanics, guidelines & legal contracts took time post BC approval

- proposal of the refreshed attendees to the Exec Council